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ABSTRACT

Five papers from a conference on the state legislative process and higher education are presented. The authors of the papers are experts experienced in relationships between the campus and the capitol, including a governor, the chairperson of a senate education committee, the former director of the Educational Commission of the States, and an executive director of NCHEMS. In addition to the five major presentations, comments of panelists are interspersed throughout the publication. The five papers and authors are: "Future Relationships Between State Legislators and Higher Education" (Jerome M. Hughes); "The State Legislative Process: Its Effect on the Governance of Higher Education" (Donald R. McNeil); "Quantitative Approaches to Higher Education Management: An Assessment of Utility to Legislative Concerns" (G. Ben Lawrence); "Legislative Expectations About the Accountability of Higher Education" (John Folger); and "A Governor's Agenda for Action in Higher Education" (David Boren). (BD)

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THE STATE LEGISLATIVE PROCESS AND HIGHER EDUCATION

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The Proceedings of a Conference Sponsored By

The Center For the Study of Higher Education
College of Education, University of Arizona
The Education Commission of the States
The ERIC Clearinghouse on Higher Education
The National Conference on State Legislatures

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COLLEGE OF EDUCATION
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Report Series, No. 5

THE STATE LEGISLATIVE PROCESS AND HIGHER EDUCATION

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College of Education, University of Arizona
in cooperation with
The In-Service Education Project
of the
Education Commission of the States
and
The ERIC Clearinghouse For Higher Education
and
The National Conference of State Legislatures

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FOREWORD

The growth of higher education in the 60's and early 70's has tapered off, and the pendulum verges on the down-swing. Some institutions already feel the pecuniary pinches of lessening support resulting from declining enrollments.

As we move closer to the uncertainties of the 80's, the needs of higher education will probably appear less pressing to boards of control and legislative budget committees and to their staff members.

Faced with inflation on the one hand and decelerating support on the other, administrators will be hard pressed to maintain the equilibrium of their institutions.

Some institutions may seek new clientele to balance their budgets; some may merge to forestall disaster; others will cut back expenditures or perish. Just as growth brought profound changes in higher education following World War II, retrenchment will also be a touchstone for further developments. It remains to be seen what effect these changes will have upon access, quality, governance, and autonomy.

One thing seems certain: the relationship and understanding that develop between the campus and the state capitol will be critical in the years ahead for the public sector. Almost every speaker at the December conference last year emphasized the importance of developing stronger bonds of understanding between administrators and faculty of higher education institutions and legislators.

Recognizing the importance of the issues at stake in the future relationships of legislators and educators, the Educational Commission of the States along with the Center for the Study of Higher Education at the University of Arizona, the ERIC Clearinghouse for Higher Education, and the National Conference of State Legislatures cosponsored a conference on the state legislative process and higher education, held on the University of Arizona campus in early December 1977. This publication brings together five papers presented at the conference by experts experienced in relationships between the campus and the capitol including a governor, the chairman of a senate education committee, the former director of a postsecondary commission, a program director of the Educational Commission of the States and an executive director of NCHEMS.

In addition to these five major presentations, comments of panelists have been interspersed throughout the publication.

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   David Boren

Very seldom are policy decisions by legislatures or coordinating boards made on the basis of quantitative information alone but many times they are made on the basis of what ought to be done. This doesn't mean that quantitative methods should be discarded. We need to be skilled in using both objective and subjective approaches.

Relationships between legislators and educators are not enriched by postures of arrogance or servility. Excesses of either one do not serve us very well. It does appear to me, however, that postures marked by candor and courage can do us some good.

The opposite of a candid approach is what I call protective pussyfooting, dancing around in the face of honest legislative questions.

We can wisely make powerful use of quantitative data on matters of standards. I think many legislators suspect that higher education is going to be willing to sacrifice standards to keep budgets up by keeping enrollments up. We have come through a period of time when we associated progress with growth. Legislatures are wondering how far higher education is willing to go in this direction. We need to take the initiative on the question of standards.

E. Grady Bogue, Associate Director
Tennessee Higher Education Commission

FUTURE RELATIONSHIPS BETWEEN STATE LEGISLATURES AND HIGHER EDUCATION

Jerome M. Hughes

Introduction

Higher education has always been closely connected with public policy, both at the state and federal levels. In the past, however, this relationship has been insufficiently acknowledged by both scholars and leaders of the higher education community and legislators. Higher education has always been a lobby, but in a period of general prosperity and growth, government relations and the various impacts of government policies on academic institutions rarely came under close scrutiny. Recently, hard times and greater political sophistication have elevated academia's interest in political policy-making and the ways in which interest groups shape the policies which are adopted in the public sector. This increasing study and political activity is unquestionably a concession to the realization that public support is essential to maintain the American higher education system. The need for such activity will be even greater in the future, as higher education finds itself in increasing competition with other claimants for public funds.

Higher education stands today on the brink of a period of great uncertainty and even possible adversity. This is the first sustained experience with deceleration of growth, and it comes hard on the heels of a period of rapid acceleration of growth. Enrollment just got through accelerating by over 100 percent in the course of one decade and now must go through deceleration to a zero percent rate of growth in the course of a decade and a half. The new situation presents both new opportunities and grave threats to postsecondary education. The greatest uncertainty and also the greatest potential vehicle for successful preservation of quality higher education will be public policy, especially at the state level.

Before getting into a discussion of future relationships between state legislatures and the higher education community, I want to review for you the recent dramatic growth of postsecondary education and describe the context in which policymakers and educators will probably interact in the future.

Status of Postsecondary Education: Past, Present and Future

American higher education has grown throughout most of its 340 year history. By every relevant measure – students enrolled, campuses built, professors employed, degrees earned, or money spent – growth has been phenomenal. In the past century, the percent of growth in enrollments outstripped the percent of population growth by 34 times. The number of undergraduate degree-credit students increased from 52,000 in 1870 to nearly

seven million by 1970. During that century, enrollments doubled approximately every fourteen to fifteen years. From 1955 to 1970, enrollments grew at an annual average rate of about 8 percent, which resulted in a doubling of enrollments every *nine* years. A particularly rapid acceleration occurred in the mid-1960's as the tidal wave of post-war babies surged out of high schools and into colleges and universities.

Population expansion buoyed and carried along the growth of the higher education system, but increases in enrollment *rates*, largely stimulated by economic forces, lent even more impetus. During the 1950's and 60's, economic factors and public policies conspired to maintain a high rate of return to college attendance and to thereby stimulate ever-increasing enrollment rates. The era of rapid economic growth following World War II was accompanied by even more rapid increases in demand for college-educated workers. In the private sector, expansion was concentrated in the professions and in industries whose work force had traditionally accounted for a disporportionately large share of the jobs filled by college graduates. The public sector became a vigorous recruiter of college-educated workers as the federal bureaucracy and state and local governments grew rapidly in the postwar era. The growth of elementary and secondary education, itself a product of the baby boom, also created numerous jobs for college graduates. The higher education system was also *self*-sustaining in that rapid expansion increased demand for college faculty and thereby stimulated expansion of postgraduate training.

In addition, economic factors and public policy decisions combined to ease the economic burdens of college attendance. With a growing GNP and rising family incomes, the direct and opportunity costs of a college education were affordable by increasing numbers of families and individuals. Federal and state governments further eased the burden through extensive financial-aid programs and subsidies to educational institutions. Federal legislation providing for financial aid, which began with the G.I. Bill in 1944, consistently expanded educational opportunities throughout the 1960's and early 70's. The National Defense Education Act, which authorized public loans to students, was passed in 1958. College work-study was added in 1964. Educational opportunity grants and guaranteed student loans were initiated in 1965. In 1972, basic educational opportunity grants and state scholarship incentive grants became available.

Growth of state support for higher education was even more impressive. State appropriations for the collegiate sector nearly quadrupled between 1962 and 1971. In 1971, state and local governments contributed about $9.3 billion, nearly one-third of total higher education revenues from all sources. The emergence during the 60's of extensive two-year college systems in many states represented a significant portion of this state support. As a result of both state and federal as well as private efforts, the number of institutions of higher education doubled between 1940 and 1970.

During the golden years of higher education, extending from about 1957 to about 1968, more money was spent on higher education than in all previous years since 1636, when the country's first college opened its doors. In the academic year 1959-1960 annual operating expenses of colleges and universities totaled $7.6 billion. For the academic year 1969-70, expenses totaled $24.9 billion. Since 1970, however, this trend has leveled off and evidence has been accumulating that higher education is no longer a substantial growth segment of American society. It now appears that the constellation of forces in operation prior to the 1970's gave rise to a highly unstable pattern of events that simply could not be continued.

The 1970's have ushered in a fundamentally new era for higher education. After more than doubling in the 1960's, enrollment growth is slowing down. Between 1969 and 1974, degree-credit enrollments rose by only 19 percent, in contrast to a 60 percent growth rate between 1964 and 1969. As the enrollment curve has flattened, so has the growth of financial support. The percentage of GNP spent on higher education, which doubled from 1960 to 1972, began to decline by 1975. Federal outlays for construction have been cut by 90 percent and construction funds from state and private sources have decreased substantially. In contrast to the 1960's when new colleges were added at the rate of one a week, colleges are failing, merging, or changing from private to public status in the 1970's.

By the early 1970's too, the labor market was no longer absorbing the successively larger ranks of new college graduates bringing diplomas to the labor force. Unfortunately, sharp increases in the percentage of college graduates among new labor-force entrants were not matched by numerical growth of high-level positions in the labor market. The long-term upward trend in the ratio of the kinds of jobs college graduates traditionally entered to total jobs had leveled off. As labor markets became swamped with college-educated job-seekers, the salaries offered to these individuals dropped relative to those being paid to other workers, and college graduates began to enter lower status jobs. Between 1961 and 1969, real earnings of new college graduates increased from 2 to 4 percent annually, compared with a 2 percent rate in the rest of the labor force. Between 1969 and 1974, however, their earnings failed to keep pace with inflation, declining in real terms by 2 to 5 percent annually, while real earnings in general remained essentially unchanged. The decline in relative earnings and labor market opportunities for college graduates has resulted in a sharply reduced rate of return to college attendance, which is measured by the difference between expected life earnings of college and high school graduates. The declining value of a college diploma has in turn had a decided effect on enrollment rates, especially among eighteen to twenty-one year old males.

Declining demand for higher education beginning in the early 1970's is already being felt by higher education institutions and personnel. Expansion in

the 1960's to meet enormous demands for teachers, faculty and scientists, resulted in the creation of capacity which now exceeds the demands of the 1970's and probably of the 1980's and much of the 1990's as well. In nearly all states, surplus capacity exists in many institutions that have concentrated on teacher training. The sudden decline in the birth rate has reduced the need for teachers, first at the primary level and subsequently at the secondary and postsecondary levels. Enrollments in teacher-training programs have gone down by one-half (from 20 to 10 percent of all undergraduate enrollments) and are likely to stay down for at least twenty and possible twenty-five years.

Surplus capacity also currently exists nationally in the production of Ph.D.'s. The nation now has the capacity to produce 30,000 or more Ph.D.'s a year. It did produce 33,000 in 1973-74, but the prospective need is closer to 20,000, and 80 to 90 percent of that number are in fields that also supply industry and government. The plight of the new Ph.D., fully trained, who cannot find an academic job, is becoming increasingly familiar. Though overall enrollment is still growing, albeit at a slower rate, the demand for additional faculty is falling because current hiring anticipates future needs. And needs for new doctoral faculty will be all indications decline precipitously, reaching a low of near zero in the mid-1980's. This will occur for three reasons: first, because the present transition to no-growth is taking place at a time of general recession and there is a reduction in net outflow of faculty members, replacement demand will probably be slightly less than would otherwise be the case. Secondly, the outflow due to retirement is at a low level, since half of all faculty members were first hired in the 1960's and will not reach retirement age until about the year 2000. Thirdly, as the rate of enrollment growth declines, demand for additions to existing faculty will also decline.

As college administrators are confronted with rising tenure ratios and tightening budgets, they are forced to make or plan a series of changes that dramatically reveal the problems generated by reduced growth. The strong tendency in higher education under current conditions is for authority that traditionally has been widely dispersed within and among institutions to be more highly concentrated. Because authority is seldom given up readily or seized without a struggle, this tendency has generated considerable conflict. Responses to a recent study show that administrators from over one-third of all institutions of higher education plan an increase in their student-faculty ratios. As they rise, faculty workload rises and faculty time available per student tends to go down. A third problem resulting from the leveling of enrollment and funding is the impairment of the quality of programs, of students and, to a lesser degree, of faculty.

Funding of programs must be curtailed or eliminated altogether. Student quality is reduced as colleges are forced to lower their admissions standards to bolster enrollments and because many good students find themselves unable to

afford the costs of a college education. Faculty-hiring decisions made during the sixties, when students were plentiful and faculty were in short supply, lead to long-run problems of faculty quality in the 1970's and beyond.

Unfortunately, crises arising as a result of decreased demand for higher education threaten to be compounded by an actual decrease in the college-age population in the future. While some authorities disagree, many are predicting that as the number of persons in the traditional college-going age range diminishes and continues to shrink through the mid-1990's, enrollments will continue to level off and may even decline between 1982 and 1995. Any predictions about the future of higher education must be made cautiously, however. The state of the economy, labor market changes, changes in American lifestyles and values, birthrates, and new sources of students are only a few of the unknown quantities which could alter the future educational milieu. The major uncertainty, however, is public policy. The effects on higher education of possible changes in public policy toward student aid, institutional aid, graduate education and research can be more significant than all other contingencies combined.

The Role of State Governments in the Future of Higher Education

The role of state governments in higher education has always been important, but today and for the near future, they are taking a more important place than ever before. This is due partly to the fact that current issues – such as correction of surpluses and deficits, support of private institutions and development of effective coordination of educational systems – are concentrated at the state level. It is also partly due to the fact that the federal govenment is, at the present time, more engaged in completing previous undertakings than in starting major new programs.

State governments and, in particular, state legislatures are becoming the new power centers for higher-education decision-making, as they take on decision-making tasks formerly carried out by educational institutions themselves. Reduced circumstances have resulted in an increasing centralization of authority. As growth declines or ceases, decisions become increasingly interdependent. To some extent the resulting reduction in institutional autonomy is both necessary and desirable as institutions and systems seek the best organizational responses to reduced growth. Yet, this process must be reviewed in the context of efforts of colleges and universities to help themselves.

The additional governing and review procedures which have been created by legislatures to help carry out responsibilities of coordination and control could reduce flexibility at a time when flexibility is especially desirable. There is an inclination to require several reviews, at the campus, at the system level, and in

one or more state agencies. The result is that even uncontroversial programs may take a year or more to be approved. New programs that challenge current methods or jurisdictions take much longer.

While the tendency has been toward increasing regulation by more and more agencies, there is an increasing inclination in some states for governors, legislative committees, state budget officers, and their staffs to take over the work of agencies, to go directly to higher education, or to ignore agency decisions. Hopefully, these few instances will develop into a trend toward more direct interaction between academic and political institutions.

Higher education was set up to be an independent sector of our society. In the past, this autonomy was intentionally protected in order to prevent political interference with and bureaucratic control of academic life. Historically, the states which have provided the greatest freedom for higher education have been the states that have developed the most outstanding public institutions. Nevertheless, the desire for the public for more accountability as budgets become tighter must be dealt with by both the systems of higher education and the legislatures, primarily through the state budget and long-range planning. This needs to be done in a cooperative way by higher education and state legislatures. We must trust and communicate with each other.

Now a word about the private sector. Diversity (including the competition it generates) has been a mechanism for quality control of higher education which is integral to the American academic system. Even this characteristic, which is taken for granted in a pluralistic system such as ours, is presently being threatened by adverse conditions in society and the economy. The private sector of higher education, which provides about one-fifth of all student places, about one-half of the highest quality graduate training and research, *and* much of the diversity within higher education, is being seriously threatened. Private shares of enrollment are declining and the growing cost-income gap is putting serious pressure on many institutions. For the first time since the depression, the likelihood of signficant numbers of closures and mergers is being discussed. While the question for some is survival, for others it is the ability to retain the quality and programming which define their identity and which are the elements of diversity. This diversity is one of the most important contributions of the private sector.

The states have had a particular historical responsibility for support of institutions. Presently, however, private institutions receive only about 4 percent as much money as public institutions do from the states. This is to be expected by the very definition of private. Nevertheless, private institutions need state help, and it would appear that it is in the interest of the states to assist in the preservation of the private sector. In addition to the fact that private education has special contributions to make to the higher education community as a

whole, it increases the competitive pressure on public institutions for effective performance and suggests "free market" levels for salaries paid and for teaching loads. Most importantly from a state's interest point of view, it reduces burdens on state funds.

The basic issue over state support for private institutions is no longer so much whether it should be undertaken at all, but, rather, how it should be supplied and to what degree. As an initial consideration, it would seem obvious that first priority should continue to be given to public institutions. Beyond this, it would be wise for states to phase support for private institutions into the budget gradually. Most importantly, private institutions should remain private and competitive. This favors support on an enrollment basis rather than on a lump sum or "bail-out" basis. Finally, funds should be provided on an assured long-term basis to avoid political dependency and resulting loss of autonomy.

Another possible casualty of declining growth is the dynamism with which American higher education has been consistently characterized since its inception. History shows that most progress comes in periods of rapid growth. Now that higher education faces a quarter of century of little or no growth, there is concern as to whether or not the academic sector will continue to provide society with creative and innovative solutions to its problems. The preservation of dynamism is mostly up to the institutions themselves, but there are several ways in which state policymakers can foster opportunities for new developments. The most obvious is through provision of funds to support innovations, as is now done at the federal level through the fund for the improvement of postsecondary education. Another idea would be to utilize the budget-making process to encourage institutions to set aside a small percentage of existing funds each year for use in new endeavors. Preservation of the private sector, which has generally shown more receptiveness to innovation and more responsiveness to new situations, will also foster a more dynamic academic community. Rigidity in state formulas for financial support which impede or prevent new approaches should be avoided; and, finally, detailed controls that discourage constructive leadership at the campus level should be curtailed.

One development which can definitely be laid at the doors of several states is what is known as the "new parochialism." As competition intensifies for students and funds, state policy-makers have constructed devices to prevent these valuable quantities from escaping to other states. Some of these tactics have been restrictions of state scholarships to use at in-state institutions, quotas on the number of out-of-state admissions, and higher and higher out-of-state charges as compared with in-state rates. A parochial approach to education only limits opportunities for students and eliminates healthy competition among states, scholars and institutions. It robs higher education of a richness which comes of exposure to different areas, different institutions, and different approaches. Only self-denial of parochial tendencies by the state can solve this problem.

There is much to be done to maintain and improve postsecondary education in the near future and in the long run. Adverse economic conditions and ominous demographic trends will necessitate difficult decisions for policymakers; not only must existing deficiencies be remedied, but new developments must be reckoned with. In addition to the developments I have already mentioned, the advent of collective bargaining in higher education and the potential rise of vocational-technical education to a new position of competitive strength may place further strains on the system.

Both the desire and the capacity on the part of state governments to undertake improvements are now in doubt. Many states are presently in financial difficulty. The impact on their resources of the recession and then depression of the first half of the 1970's and the resulting high costs of welfare, the longer-term increase in expenses for health and welfare and for other social benefits, and of fast-rising wage and salary costs in public employment as compared with the private sector have reduced flexibility in state budgets. In addition, states may incur new costs for daycare, pollution control, prison improvement, and equalization of expenditures in primary and secondary schools, among others. At the same time, tax cuts become more and more appealing politically.

A survey of thirty-five governors, conducted by the Center for the Study of Educational Finance at Illinois State University, reveals the general gubernatorial belief that public higher education is already adequately funded. This is especially true among the governors of the states with the highest population concentrations. Those executives from the less populated states seem less certain about the adequacy of educational funding at all levels. They are more open to debate on the needs of the educational community.

The governors close ranks on many key issues affecting higher education and state government. They foresee, for example, an improved economy at the state level with unemployment figures down and personal income figures up. Most of the governors predict an increase in state revenues in the next two years. This, they believe, will lessen some of the pressure on state treasuries and state budgets. Despite this, there is little reason to believe that they and members of their state legislatures will lift the austerity imposed by recent years of recession.

Only five of the governors talk seriously of increasing state spending. Most of them seem more interested in emphasizing greater governmental accountability, increased efficiency, tighter budgetary controls, and the elimination of bureaucracy. More than half of the respondents anticipate some reduction in the number of government employees, and they are careful not to exclude institutions of higher learning from their considerations. Where there appears to be a possible budget surplus, and several states are anticipating one, governors talk of the attractiveness of reducing taxes or offering refunds to taxpayers.

A careful analysis of the gubernatorial questionnaires suggests that American higher education faces increased budgetary scrutiny from state agencies under the popular banner of accountability. It does appear that there will be fewer severe budget cuts, which should encourage certain embattled educational administrators. It is also apparent that gubernatorial opinion favors increased financial assistance for students, vocational education programming, and the health professions.

Significantly, only eight of the thirty-five governors think that public higher education in the United States has been unfairly treated in terms of financial support. More than a third of the governors believe that public colleges and universities are overbuilt in terms of academic programs and capital outlay. They frequently point to projected declines in the number of college-age students in the early 1980's. They also say that higher education has more than enough programs; the real challenge, in their opinion, is to restructure those programs in such a way as to assure greater service to society and the economy.

Just eleven of the governors sense public concern about the future of higher education. A majority contends that American higher education remains a "non-issue" in terms of the political system and does not see this changing in the immediate future.

Only eight of the governors say that public higher education can expect significant increases in state support, and five of these strongly hint that increased support will come only for specific programming designed to meet the needs of business and industry.

When asked on what grounds public higher education should justify its future, the governors offer a wide range of ideas. Some of the more commonly held ideas are:

1. Public colleges and universities must move to clarify their roles and missions in measurable terms, and they then should proceed to work toward those ends.

2. Institutions of higher learning should no longer attempt to be all things to all people. Rather, they should specialize in given areas of need and then demonstrate unquestioned quality of programs.

3. Higher education should do appreciably more in assuring our society of an informed citizenry, especially in areas such as basic economics and citizenship.

4. Public colleges and universities should move to provide significantly more job-entry skills in order to enhance the value of a college education.

5. Institutions of higher education should devote more of their research effort for the purposes of improving the quality of life for all of our citizens.

6. As a group, colleges and universities should offer qualified individuals the opportunity to fulfill legitimate personal and professional aspirations.

With limited resources and increasing demands, legislative funding decisions will become increasingly politicized. This means essentially that decisions will depend heavily on the relative political input of groups interested in maintaining or terminating a service or program. This trend will clearly affect future decisions regarding higher education. Whether the decisions will be made with the approval and in the best interests of higher education may well depend upon higher education's recognition of its altered environment as well as the quality and quantity of its participation in the policy-making process.

We all have an interest in preserving and improving higher education. Neither the higher-education community nor government can carry the entire responsibility. Legislatures need the creative input and suggestions of experts in the field, while educational systems and institutions need the financial backing and centralized coordination that only the legislature can provide for on a large scale. Intensive involvement and cooperation between the legislative and academic sectors in the future therefore appear to be our best hope for maintenance of quality higher education in this difficult era.

If there ever was before, there never will be again a key to easy money from state legislatures. The many demands placed on state resources have to be balanced against the best interests of the legislator's constituents. College administrators need a more thorough understanding of the temper and tempo of the community served by both the institution and the legislator in order to communicate effectively. By better understanding his community, the administrator will better understand the emphases and priorities of the legislator.

The Honorable Arnold Jeffers
Arizona State Legislature

There will be a period of increasing tension between higher education spokesmen and legislatures over appropriations for institutions. These tensions will persist through the 1980's and into the 1990's.

It is important to note that institutions will lose ground for the most part only in a relative way in the struggle for these scarce public resources. It is true

they will receive smaller increases than they received in the golden era of the 1960's; however, the evidence is clear from work in political science and other fields that when a public function is lowered in priority it at least maintains and often will slightly improve its financial position in constant dollars.

Recent analyses of educational data over the past thirty years show that on a per-student basis educational expenditures are increasing although enrollments are stabilizing or declining at the elementary and secondary level. Time-series analyses of higher education data show that although per-student expenditures decreased slightly in the early 1970's, they are higher now than they have ever been, in constant dollars, showing an upward trend in recent years.

Larry L. Leslie
Professor of Higher Education

THE STATE LEGISLATIVE PROCESS: ITS EFFECT ON THE GOVERNANCE OF HIGHER EDUCATION

Donald R. McNeil

After more than twenty years in academic settings, with continued relationships with legislators in four states, I recently stopped feeding at the public trough and decided to sample the wares in that wildly exciting, anxiety-begetting world of free enterprise. To paraphrase a famous general, old university administrators never die, they just fade away and become consultants. So I assume that I am here to speak as an impartial outside observer with no longer an axe to grind.

Over the years I have gathered into a composite description, portraits of both legislators and educators. They go something like this. Everyone knows that legislators are politicians who would do anything to get elected; that they are ambitious, conceited, ruthless, deceptive, devious, and vain; that they are more concerned about image than substance; that they are meddling, lazy, compromising, and, at times, stupid.

On the other hand, everyone knows that educators are politicians who would do anything to protect their turfs; that they are lazy, selfish, overpaid and arrogant; that they are bureaucratic, uncaring, dull, and, at times, stupid.

Well, we all know that those portraits are outrageously overdrawn. But I'm afraid we also know that there is enough truth in some of the depictions to make us a little uncomfortable. So let me go back a way and look at the dynamic tensions between legislators and educators in a more realistic and historical context.

Not too many years ago, there was a widely held image of the campus as an Ivory Tower. The inhabitants of these venerable institutions were viewed as absent-minded, wooly-headed eccentrics, comfortably isolated and insulated from the harsh realities of life and the competition of the marketplace. Indeed, the most damning judgment of all was that none of them had ever had to meet a payroll.

If this idyllic sanctuary of scholarship ever did exist, I am convinced that it has disappeared from the American academic scene. The decline of the Ivory Tower began in the late fifties, and its fall came about in the mid-sixties. The exuberant growth and burgeoning enrollments in higher education that swept the country in the late fifties and early sixties stripped away the isolation and

the tranquillity of our campuses. Suddenly, a college education was the in thing available, for the first time, to thousands who had once aspired only to a high-school diploma. The baccalaureate became, almost overnight, an instant union card, guaranteeing young Americans an entree into the wonderful world of middle-class success.

And the educators, blinking modestly in the spotlight, realized new respectability and status. Their advice was sought; their words were heeded; they became the gurus of our day.

It was America's Golden Age of education, those few and fast moving years; they were heady, exhilarating, and now, of course, the source of overwhelming nostalgia.

The Vietnam War sounded the death knell to that one brief shining moment that was their educational Camelot. Their once quiet, sheltered campuses became the setting for dissension, turmoil, physical violence, and even, death. Collegiality gave way to confrontation; rationality was drowned out by rhetoric; academic traditions were scorned; the educational verities mocked. And the academic idols were toppled, as if they had feet of clay. The cry from the Sproul Plazas across the nation rang loud and all too clear: "The academic emperor has no clothes!"

Caught up in the day-to-day turmoil and bitter debate, many people, both educators and students, failed to perceive clearly the ultimate price which was to be paid, the seeds of enmity that were being sowed in our society. That price was a widespread disillusionment with higher education, and all that it purported to be, all that it boasted it had and would contribute to the welfare of our country and its citizens. The public was outraged by the physical violence, the destruction of campuses, the outrageous flouting of authority, and the unending assaults on a comfortable status quo.

Stripped of their confidence, their prestige, and many of their pretensions, higher education institutions became a major target of our legislatures. If educators could not put their own houses in order, the elected representatives, acting on behalf of the outraged parents and taxpayers, were prepared, and were often more than willing, to do so.

A faltering economy provided impetus for this backlash, as did the growing demands for attention to and funding of *other* social priorities. The commitment to educational quality and equal access no longer captured the hearts, minds, and votes of the budget makers. The watchwords became accountability, program budgeting, program review, statistical justification, and cost-effectiveness. The day of Quantitative Measurement had arrived with a

vengeance. More and more, bureaucratic practices and procedures supplanted academic policy decisions. And in increasing numbers, states turned to the concept of statewide planning and coordination in an attempt to regularize the future growth and development of higher education.

Against this backdrop then, let me talk about some of the significant issues that will face both legislators and educators from now into the 1980's and suggest some caveats for both.

The first of these issues revolves around the quest for sound, comparable data. Everyone is now turning to information systems. Educators are asked to justify and rejustify their yearly requests for new programs, new facilities, new research projects, new staff, and new money. And more and more, you hear people on both sides of the negotiating table demanding *hard* data to find *hard* answers to these *hard* questions.

I have no quarrel with legislators who are asking these questions; educators *should* have the answers. I have no quarrel with information systems, as such; they will help obtain these answers.

What concerns me about this issue of information is the potential master-slave relationship. If educators are the masters of their information systems, they can do marvelous and wonderful things: use them as an excellent management tool to promote beneficial self-analysis; use them to respond to the demand for accountability from those of you who grant the money; use them to enhance the credibility with the public with better explanations of programs and accomplishments.

If, however, educators become slaves to the information systems, (especially as the facts are interpreted sometimes by legislators), the results may spell catastrophe. Misuse of the data can sap their vitality and destroy their true purpose. If cost becomes the *sole* basis for decisions of academic policy and programming, a sterile centralization and standardization can result; *good* education could well become *efficient* education. Some legislators have not learned yet to distrust some of the statistics themselves because the data may simply not be comparable. If, for example, you compare a program at a wealthy, elitist-oriented school, with another school that spends a lot of money and staff energy in remedial work or with the disadvantaged, you might conclude that the latter school's cost per student is too high. To look merely at cost figures alone without looking at the objectives, the methods, and the target audiences would be disastrous. Furthermore, colleges and universities often allocate indirect costs and support services in quite different ways, and that complicates the problem of a lay legislator looking at the cold, *hard* data in an information system and comparing *facts*. The trouble is that too often legislators and educators use the pieces of data that support only their respective positions.

I would merely remind educators that it would be foolish to balk at the idea of acquiring and systematizing data, especially data that is comparable and does stretch out over a period of years. It can be used intelligently and with great benefit. Too often, educators are fearful of the data being distorted to fit the view of a group with an objectionable objective in mind, and of course among those feared groups are the legislative committees.

But even beyond these earthy considerations, I would urge legislators and educators not to seek salvation in statistics alone. I hold no brief for so-called academic inefficiency though there will be some of that, just as there is inefficiency in our corporations, our court systems, our military, and, yes, even in our legislatures.

I do plead the case for quality and a philosophic commitment to the educational tasks to be done. These tasks often cannot be measured in the computer. You cannot quantify learning. The product of the mind simply cannot be placed on a balance sheet.

The second issue is that of state support of private higher education. Rather, I should say *direct* state support, since substantial indirect support is provided through student-aid programs, both at the federal and state levels. Here again, the educators and the legislators face off against each other. Leaving aside the constitutional barriers, which may be insurmountable in some states, I would remind you that with state money there inevitably goes state control. Are our private colleges and universities willing to pay the price? And, if so, just how high a price? We frequently point to our private institutions as an invaluable source of diversity and innovation; will state support foster these qualities or will it discourage them? Should the state support ***all*** private institutions equally, or should the smaller and weaker members of the group be cast afloat to sink or swim. And, finally, do our private colleges and universities truly need state support on a long-term and permanent basis? And, if so, is it to be justified on the basis of need, enrollments, efficiency, or what?

Can we find ways to aid those institutions which can perform state-held objectives (vocational education, for example) and still allow them their autonomy? Could we, for example, set up contracts that would let private institutions take on public assignments without interference by the state? And with the support of the public institutions, society will be the stronger if the capacity of our private institutions is added to the total educational resource base of the state. Yet most decisions in this area are made out of sheer prejudice, both for and against the idea of support for private colleges. Turfdom, one's own college background, and vested interests usually dictate the final decision.

The third issue has to do with so-called adult education. For many years adult education was treated as the stepchild of the educational establishment. Like

most embarrassing offspring, however, it would not go away; it just hung around waiting to become a full-fledged issue, and it is now just that.

I would argue that these and other questions are the trees, not the forest. The real issue here is our commitment to providing access and opportunity to citizens who missed the educational boat or who want to get back on board. Is a college education only for 18-24 year olds with the traditional preparatory background? Is the man or woman who just wandered accidentally into a career or an occupation out of luck if he or she wants to change? Are all those millions of people stranded in that great cultural wasteland we call television doomed to permanent exile?

There are some very sound arguments, pragmatic arguments if you will, for expanding the opportunity for adult education. It may well be the answer to the steady-state enrollment that is rapidly approaching. It may be a large part of the solution to job obsolescence in an increasingly technological world. And I believe it can also be the solution, and perhaps the only solution, to the immediate and pressing problems of poverty, discrimination, and blighted opportunity.

The questions for both educators and legislators are legion. How do we approach the education of this vast adult population? What opportunities or handicaps will we place before our citizens? How do we organize this venture? To which institutions do we allocate which functions? How much do we charge for which offerings? How extensively should we commit ourselves to the support of education for fun, relaxation, self-improvement, and cultural awareness? These are all questions demanding answers. Bureaucracies at each level, educational, legislative, and gubernatorial, should quit waffling. The problem will not go away. The demands of the older age groups, especially, are increasing. Even if some institutions and state legislatures make the decision that state support should *not* go to part-time or older students or for an off-campus delivery system, at least, that would be a decision.

We must also come to a decision about two closely related problems that have plagued adult education for many years. One is adult education overkill, the situation in which several institutions duplicate each others' programs and services in the same area. This misguided competition is academic inefficiency at its worse. The other problem is one of neglect, which leaves entire groups of potential students with few, and in some cases no, adult education opportunities. It will be up to the educators to present some comprehensive plans; it will be up to the legislators to understand the problem and then set sensible policies.

The problem is complicated by the great technological advances that will alter the way we learn for the rest of this century. With the advent of the videodisc,

the mini-computer, the automated gadgets that give you everything through your home television set, how are you educators and legislators going to handle that? Traditional problems of admissions, credit, tenure, copyright, and a host of others, will soon add fantastic dimensions to those problems when educators and legislators wake up to the fact that technology has passed them by. The fifty-minute lecture is going to have stiff competition in the world of the future. My own guess is that there will be stiff competition, too, between educators who will not embrace the new individualized, self-paced, at-home learning systems and legislators who will see it as a cost-effective and quality method to educate the masses. But that's a whole other article.

The fourth issue illustrates the irony with which all of us must learn to live, for irony is truly one of the hallmarks of both the legislative and the academic world. All through the sixties, the move on the part of legislatures was to centralize educational activities through various forms of coordinating councils or unified systems of higher education. While practically no state went the ultimate route of consolidating everything, there was a feeling abroad in the land that excessive competition and duplication and special appeals to legislatures from single campuses had to be brought under control. So a modified centralization took place, and by the seventies practically every state had a coordinating body of some sort.

This brought loud cries of protest about loss of automony from the institutions (some of whom were, themselves, statewide systems and heard protests about violation of institutional autonomy from their own campuses).

The protests had some effect. No coordinating agency went too far, and the smart ones picked their battlegrounds carefully. And gradually the coordinating bodies came to appreciate the plight of their academic institutions, and, in this interaction, relative peace was made in most states.

So now against that state framework of coordination and planning comes the fifth issue, regionalism. The irony is that the proponents of centralization are often now the very ones advocating decentralizing education to the regional level (which may be centralization from the campus viewpoint if you have been left autonomous to do what you want). The reason is that we never did straighten out jurisdictional matters to any great degree; we never made the educational system a single unit with power to enforce rules, program changes, or whatever. I believe that we would never want such a tyranny from the top. I would not want all education invested in a single board or person or group.

Here and there, different jurisdictions tried to work together voluntarily. Consortia were created. Voluntary agreements for shared facilities, libraries, faculties, and students made modest beginnings. Public and private universities, and community colleges, and even on occasion proprietary schools, worked

together in limited fashion. There was no true regional planning for the benefit of the citizens of an area; there was no willingness to yield real autonomy for the common good; there were no methods or means or powers of enforcement when someone did not stay within the guidelines or rules.

So now as costs go up, inflation continues, enrollments are leveling off, and money is scarce, institutional and legislative leaders are looking to regional planning, as opposed to statewide planning or absolute institutional autonomy, as a better use of limited funds. It is true that the larger and more complicated the state the more need there is for a regional approach.

The regional approach within a state is as important as the regional approach fostered by WICHE at the interstate level. And I believe this intra-state regionalism can be carried out without hampering either statewide coordinating bodies or statewide university systems.

No doubt we are encouraged in this view by the harsh reality of no-growth budgets and shrinking educational dollars. But I would also like to think that we are motivated by the realization that autonomy and uniqueness are not demonstrated when three institutions offer the same program at the same time in the same town. It simply does not make good sense, academically or economically, for our colleges to engage in this wasteful duplication and harmful competition. Legislators are very aware of these conditions, and educators need to take steps to get their houses in order, or else.

The time has come for our public and private institutions to give more than lip service to the concept of mutual cooperation for the benefit of our students and our society. We must coordinate our efforts and our resources, we must pool our strengths, to provide the best education possible to the most people possible at the minimum cost possible. It will take the cooperation of both the legislatures and the institutions to make progress in this highly volatile area.

There will be difficulties (when are there not?): resistance, jurisdictional squabbling, and cries of outrage and even anguish. But regional cooperation can and should be accomplished. With the prompting of legislators, whether it be gentle or very firm, regionalism can lead to more efficient, more broadly based education, and higher quality education.

The issue of regionalism is closely related to another issue that, in a sense, feeds on the regions: namely, the role of the statewide coordinating group, the state-level bureaucracy that varies so widely in powers, influence, and talents in the several states.

Should the statewide unit be the technical handmaiden of the legislature? The higher education tattletale? A policeman of our colleges and universities? An

enforcer for the mob? Or should it be the diplomatic spokesman for the higher education community? The staunch ally of administrators and faculty? The defender of collegiate faith? The mouthpiece for the profession?

It should be none of these, of course, exclusively. It should be all of these, perhaps, in part. I believe it can be spokesman, leader, confidant, referee, and independent entity. I hope the schizophrenic nature of its having to relate to both the governor and legislature on the one hand and to the educational establishment on the other, does not drive it to the brink.

Before I broach the final issue, let me make a personal comment or two about my past relations with legislators. My career has brought me into frequent and close association with legislators in a number of states around the country. These relationships have given me many pleasant memories, as well as a few scars. But on the whole, I must admit that I like legislators. Most whom I know work very hard at their job: they understand the issues; they vote their convictions. They also know numerous good stories and, for the most part, make good companions. Beyond that, I think there is a natural affinity between legislators and educators that comes from certain characteristics we share in common: both love to talk; both have egos larger than those of most folks; both share a passion for committees and meetings; and both play politics with zest, whether it is in the lounge of the faculty club or in the halls of the statehouse.

It is fortunate that educators and legislators do manage to get along fairly well together, since there is simply no way they can avoid each other. Certainly not when public higher education commands the single largest share of the taxpayers' dollars each year in many states. Certainly not when the largest capital investment is tied up in public educational facilities. And certainly not when such issues as adult education, regionalism, finance, and program control are centers of public debate and controversy and the subjects of pending legislation.

There is no escaping the fact that politics inevitably play a significant role in the decision-making arena of higher education. Legislators review budgets, approve new buildings and campuses, and set the level of spending, and at times confirm board appointments. But that is sufficient. No matter how amiable the relationship or how great their mutual respect, there is a point at which legislators move beyond legitimate involvement in educational affairs to unwarranted interference. I do not characterize the increasing legislative demands for accountability as interference; if the educators are as productive as they say, they should be able to demonstrate it convincingly. I do not characterize requests for data on students, facilities, programs, and plans as interference; if educators do not have this information, they should; if the legislature cannot obtain it, how can it possibly make sound educational decisions. And I do not characterize responsible budget cutting as interference.

In my view, involvement becomes interference when the legislature impinges on the academic integrity of the institutions: when decisions about governance, institutional management, academic policy, program planning, admission requirements, faculty duties, and other related issues are made not in the halls of ivy, but in the corridors of the legislature.

The trend in legislatures is to acquire qualified staff. As staff capacity increases, legislators and their assistants tend to believe that they know more than educators about education. They begin to nitpick; they have a position on almost every educational issue; they develop a fascination for the minutia of budgets; they pose questions of infinite variety and detail; they meddle in administrative matters and in the approval not only of academic policies, but also of new programs; they instruct the educational bureaucracy what to study, how to study it, and, at times, come perilously close to suggesting what the results of the study should be. In California, for example, we have seen the legislature trying to tell the University of California to promote faculty solely on the basis of teaching ability, reduce student fees (or risk losing millions in lab costs), report outside income, and consider changing research direction to areas that will have more social impact.

An Amusing Story: Several months ago, prompted in part by recent student protests, twenty-three legislators wrote to the Regents of the University urging them to move toward withdrawing the University of California's investments from companies that do business in South Africa. Shortly thereafter, forty-one of their fellow legislators wrote the Regents urging them to withdraw their investments in any companies doing business with the "Soviet Union, the People's Republic of China, Cuba, or the communist nations of Southeast Asia."

I do not minimize the serious ethical questions raised by this issue of investments, nor do I question the sincerity of those urging withdrawal. I only wish to report that a news article appeared shortly following the publication of the letters which revealed that 106 legislators, the Governor, and several constitutional officers participate in a retirement fund which holds some $15 million in investments in some of those same companies.

Some very well-intentioned legislators and their staffs believe that they are being supportive of higher education through this kind of involvement. But no matter how laudable their intentions, how sincere their interest, the end result can be (and too often is) greater political control of our institutions. I acknowledge that many times there is a fine line between legitimate legislative policy direction and legislative meddling. What we must do (together, not separately) is to examine that line constantly, talk about it candidly, move it one way or another at times, and thereby assure independence of appropriate decision-making powers to members of both establishments, the educational and the legislative.

I began my remarks with a reference to the decade of the sixties. Back then, one of the clearly enunciated objectives of some students, aided and abetted by some faculty, was to politicize the university, to make it responsive to the immediate political and social urgencies that confront our society. Against the dramatic background of those turbulent times, it was easy to perceive the clear and present danger which that objective posed. We resisted the efforts to politicize our institutions.

Today, in relatively quieter times, the danger of politicization appears to have receded. But do not be misled, it is ever present. It is difficult, even at times for educators, not to tinker with the machinery of our institutions. And to some legislators, it can be an irresistible temptation to which they yield in the name of political realities or of the public good.

I hope that Senator Hughes' earlier statement that the legislatures are the new *power centers* in higher education does *not* mean they will step beyond their policy and budgetary role. One of several power centers, *yes!* The dominant power center, *no!* Institutions of higher education do not lack for critics: in the eyes of the cost accountants or the management analysts, the university is not the model of modern management efficiency it should be. In the view of the activist, the university does not respond with the required alacrity to critical social problems. In the opinion of the grassroots legislator, the university is insensitive to the political imperatives of the day.

I would respond to (not dignify) such charges by reminding you of the central purpose of the university: to seek the truth, the *real* reality, if you will, in every circumstance and in every age. And, as a historian, I would also remind you that man's past is replete with painful lessons that today's truth is tomorrow's error. This concept of the independence of the university has served our nation enormously well: it has provided us, often indirectly and over a seemingly long period of time, economic, political, social, and intellectual advances that cannot be matched. It will continue to do so with our patience and understanding and, above all, our unwavering commitment to its inherent rightness. It cannot do so if any of us, whether legislator or educator, corrupts it, whether it be in the announced name of the public good or in the unspoken name of political power.

Educators are, I believe, coming out of their Ivory Tower. They are trying to be more accountable, more direct, less inclined to stand up and shout as Samuel Gompers did, "More, More," without justification. They still have a long way to go. Many of them still think of legislators in the terms I began this paper with. This is foolish. Like every other group, educators are not saints or sinners. They are human beings, trying to act out their role as they see it. Educators could stand to do a little educating of themselves and of legislators. They could stop crying wolf every time a budget gets cut. They could stop emphasizing only salary increases. They could be more positive. They could take some time and

bring legislators to the campus when they are not asking for something, when there is not a fire to be fought. I found that legislators are very perceptive people. They know a con job when they see one. And they are most alienated when an arrogant institution cannot supply reasonable information.

As for the political world, we will have to be patient as the educators grow up, as they come to terms with the new reality, namely that they have a desirable partner in the statehouse who also has a role to play in the development of higher education.

As for the legislators, my message may sound equally harsh. In the first place you could start to understand the issues and stop operating from your prejudices. It is frustrating to educators to see momentous decisions being made with so little understanding by the legislators of the issues, the ramifications, or even the facts. You could, as a beginning, start reading some of the material.

Second, you could begin to understand the difference between administration and policy. If you did, you could save yourself some time and energy. In short, stay out of those areas where you do not belong. Good citizens are appointed to protect the institutions' interests. You pay good salaries for administrators and faculties to carry out their functions. So set the general policies; finance them the way you see fit. Then let them carry on. Support them; don't undercut them.

The biggest danger to higher education in this country, in my judgment, is the danger of politicizing the institutions. And the more you intrude in areas you should not be in, the closer you bring that danger of politicizing the institutions. And the more you intrude in areas you should not be in, the closer you bring that danger of politicization to reality. *Don't,* because if you do you will have a different social order as a result.

So let me close with some different portraits of legislators and educators as a result of our examination of some of the issues and a voicing of my own prejudices on these matters.

Educators, it is obvious, are hardworking, underpaid, dedicated, statesman-like, principled, honest, wise, and interested in everyone's welfare.

Legislators are even-handed, dedicated, statesman-like, principled, honest, hard-working, wise, and interested in everyone's welfare.

Well, those portraits don't square with the facts of life either, any more than the ones at the beginning of this chapter. The answer, of course is somewhere in between.

And in between, I hope we find some new understandings; some new sympathies for each other and find some means of building a bond of trust between the two groups who primarily have the same objectives: access, opportunity, equality, and quality. Both the jobs of legislators and educators will have been made easier as a result.

I echo Senator Hughes' (and Representative Jeffers') call for a partnership. It is as Senator Hughes says: you need each other!

Legislators, faculty, administrators and most of all people producing original work concerning higher education must understand the weaknesses of the information they are dealing with or producing.

One of the major weaknesses of information available in the literature is its inability to provide specific answer to the idiosyncratic problems facing legislatures, institutions, and other groups dealing with higher education. Skills must be developed by people in these groups to enable them to retrieve and synthesize information from existing information files so that the best possible solutions are provided based on analyses of this information.

Jonathan D. Fife, Director
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Legislators are concerned about the research grant monies sought after and reserved by the universities and colleges. They want to know where the money is coming from and where it is going. Will the grants finance positions and equipment which will later become part of the operating budget of the schools? What delayed commitments may involve for state financing? The legislature would like to funnel the money through the state legislative process so that such questions can be answered.

The Honorable Larry Bahill
Representative, Arizona Legislature

QUANTITATIVE APPROACHES TO HIGHER EDUCATION MANAGEMENT: AN ASSESSMENT OF UTILITY TO LEGISLATIVE CONCERNS

G. Ben Lawrence

While higher education administrators have always planned programs, allocated resources, and prepared budgets, relatively plentiful resources reduced the need for making truly difficult decisions. Until the mid 1960's higher education was a steadily expanding enterprise, and the expansion was accompanied by new dollar resources. It was relatively easy to make necessary changes and additions to higher education programs to meet the needs of a changing society in that expansionary period. But in the late 1960's that situation commenced to change. Enrollment growth began to taper off. A weak economy resulted in a scarcity of resources. The love affair between the public and higher education turned to wariness and skepticism. Planning, budgeting, and resource allocation became much more complex and difficult. Tough decisions and trade-offs had to be made. In order to respond to critics, cope with economic forces, document both needs and effectiveness, and to find a basis for tough decisions, administrators began to reconsider the academic world's traditional skepticism about the place of management in higher education. In the process of this reconsideration, quantitative approaches to management began to emerge.

The use of quantitative approaches to management has increased dramatically in the ten years since 1967. Indeed, the litany of new developments and practices is impressive. To mention a few:

- The development and use of a common data language are well underway.
- Basic structures for categorizing programs and activities for reporting and analysis have been developed and are in use.
- Procedures for determining unit costs have been developed and are in use.
- Financial reporting and audit guidelines have been developed and adopted.
- Research and development on understanding the measures of outcomes of higher education are beginning to show evidence of practical application.
- Computer supported information systems have improved dramatically, and their use is widespread.
- Now that institutions have achieved some reasonable progress in the use of quantitative approaches, state agencies of higher education are in a position

to develop and, in fact, are developing their own information bases and quantitative methodologies to support their decision-making.

If development and use were the only criteria to be used in assessing the progress and utility of quantitative approaches to management in higher education, the results would be clear. Use has increased dramatically, and most experts predict this trend will continue.

However, use by itself does not illuminate the more fundamental question: does use of these tools and techniques yield better decisions and more capably managed institutions? We do not have a definite answer to this question. While managers who use such techniques seem to feel better about their decisions, it is hard to ascertain whether decisions are better or whether they would have been made differently without such techniques.

In some cases, the new tools and techniques are clearly assisting: data element dictionaries, induced course load matrices, facilities management manuals, etc. But in other cases the utility is not so clear cut.

The problem is best illustrated by a specific example. During the 1960's legislators and others became increasingly frustrated by requests for more and more money to meet rising costs and started requesting, demanding, more incessantly to be provided with cost information. The sort of unit-cost information they wanted was originally developed in industry to be used in association with product specifications and potential sales information to determine production levels and pricing of products. The transfer of this concept to higher education has not worked out very well because the two situations are not the same.

Unit costs in higher education have been equated with cost per student in a particular discipline or program. The assumption is that the student (or a graduate) is the product to be produced. While it is true that students do graduate, it is not true that institutions produce graduates, especially to some predetermined set of specifications. The facts are that institutions provide instructional and learning services to students. Students use these services, and, if they have the ability and motivation, *they* meet (the institution does not produce) graduation requirements.

The use of unit-cost information has had its impact, but it is not clear that the decisions have been better. Costs have been rising as clearly demonstrated by the cost per student over the past ten years. Pressures to check the rising costs eventually lead to a gradual change in the typical student-faculty ratio of about 15:1 to approximately 20:1 because this was the most effective way to impact the cost per student number. The difficulty with that decision is that we do not know and may not know for many years its real impact. The unit-cost number

concept assumes that the institution produced the same number of graduates at the same level of specification at a lower cost. In actuality the same number of students got less service as they attempted to meet graduation requirements. While students still graduate at the same rate, we do not know what the loss in service meant to their intellectual growth. We also have suspicions that grades have been inflated and graduation requirements eased. What is the long-range impact of this decision? In the case of industry the impact of such a decision is clearly shown in the profit and loss statement. In higher education it may never be determined except in subjective ways. In 1976 and 1977 the United States had nearly clear sweeps in Nobel Prize winners, the results of education from twenty and thirty years ago. Perhaps twenty and thirty years from now we may obtain some insight about the impact of the decisions made recently as we utilized unit-cost information.

The point of that example was, of course, that in some cases quantitative techniques and tools have been transferred to higher education from other sections of society without sufficient adaptation for us to be able to determine their utility. While we must seek new approaches to management, whether entirely new or adapted from other sectors of society, the concept employed must be compatible with the realities of higher education's purposes and processes.

Turning from this brief general assessment, I would like to comment on implications for legislative concerns. Of course, legislators have many and varied concerns related to higher education. To simplify this discussion I mention four major categories of concern:

- Higher education institutions should be run efficiently; resources should not be wasted.

- Higher education institutions should have effective and relevant programs. That is, its programs should be of significant value.

- How can we ascertain more effectively what is to be funded? (Public institutions, private institutions, community colleges, universities, etc; instruction, research, public service; liberal arts, education for work, professional manpower?)

- How much support should be provided by the state for post-secondary education relative to other state priorities?

With regard to the first, "Higher education should be run efficiently," quantitative approaches are available and in use in many places that address the efficiency question at least as a comparative measure among institutions. However, two important caveats are necessary lest someone announce to the

world that we can now make institutions efficient. First, efficiency does not speak to effectiveness. An institution may be run efficiently, but its programs may not be very effective. Secondly, quantitative approaches may give us an understanding of how efficient or inefficient an institution is, but they will not tell us how to make an institution *more* efficient. Quantitative approaches may indicate that a particular program is inefficient (operating say at a student-faculty ratio of 3:1), extremely expensive, and quite inappropriate. But if the faculty are all tenured, there may be little that can be done, and quantitative approaches do not resolve those social and legal problems.

Regarding the second category, "Higher education should have effective and relevant programs," at the current moment quantitative approaches have done little more than assist with the provision of basic statistics in program review. But research done during the past eight years now shows potential payoff. Effectiveness and relevance in the final analysis gets down to opinions about value, success, and satisfaction. Quantitative approaches to assessing such opinions show promise of assisting decision-makers with judgments concerning the effectiveness of programs. Outcome-oriented planning, needs assessment, and evaluation are still in their infancy, but show substantial promise.

With regard to the last two concerns, other than an improvement in basic data, quantitative approaches have helped very little. However, as basic data have improved, the potential has increased substantially for quantitative approaches that convert that data into information very useful for the kinds of decisions that stem from these concerns. For example, much of the basic groundwork has been laid for the development of indicators of higher education, indicators somewhat analagous to economic and social indicators. Unemployment, inflation, and prime interest rates among others, are useful indicators in establishing economic and social policy. True, we have arguments over what ought to be appropriate levels of unemployment if inflation is to be checked, but the indicators provide us with pertinent information relative to the debates and the formulation of policy.

Taking a very imaginative stance for a moment, imagine an access to higher education rate, a scholastic achievement rate, a cost of education rate, a first employment rate, and others. Such indices would be helpful in considering policy decisions associated with the last two concerns.

Can you imagine the impact on legislators if the following report appeared in the local paper:

"Students' Access to College Down 8.2 Percent! The state's higher education agency issued its semiannual report on the condition of higher education today. Students' access to college dropped 8.2 percent in the last six months, down from 44.2. Hardest hit were black students dropping a big 12 percent. While

several factors were cited to explain these drops, the major factor appears to be the cost of education to the student. The cost of education index rose *9 percent* in community colleges, *7 percent* in state colleges and universities, and *4 percent* in private colleges and universities. While the cost of education to the student increased dramatically, student financial assistance levels remained constant providing no relief to the students to offset the increased cost.

"Two reasons were given for the excessive impact on black students: a larger percentage of black students come from low income families that cannot absorb additional cost increases, and a larger percentage of black students attend community colleges where cost increases were the greatest.

"This bad news comes at a time when demand for college trained people is the highest in three years as reflected by the first employment rate now at 97.3 percent. This indicator shows the percentage of students gaining employment in their field of training within three months of graduation. In addition, the scholastic achievement rating has increased 3 percent in the last six months suggesting improved vitality in educational programs and increased motivation on the part of students.

"Senator Jerome Abernathy, Chairman of the Senate Education Committee, was asked to comment on the report. He said, 'I am very pleased with the demand for college trained people. This demonstrates that our colleges are turning out well-trained and well-qualified young people. But I am distressed at the cost-of-education increase and the drop in the access rate. You can be sure that the Senate Education Committee will be investigating these matters to determine what can be done.' "

My illustration may be excessively imaginative, but it is not totally unrealistic. This concept has been envisaged for at least five years. Work has been steadily underway. Today substantial interest in the development of indicators of higher education is evident. Theoretically, the task is achievable and the benefits seem obvious. Practically, the task is difficult and will be some time in coming.

Higher education has taken seriously the use of quantitative approaches to its management. Thus far the impact has been mixed, but as understanding develops and use continues, there appears to be promise that such approaches will serve to assist decision makers and policy makers in significant ways.

Information is needed whereby legislators can substantiate the budgetary requests of higher education institutions within a state such as:

1. *Enrollment data that reflects local economic and growth patterns rather than national patterns.*

2. *Data with regard to the cost effectiveness of faculty spending time on research and graduate teaching rather than on undergraduate teaching.*

3. *Budgetary formulas for use by legislatures that will take into account the diversity and differences of programs both within and between institutions so that allocations can be made fairly and equitably.*

The Honorable Frank Felix
Senator, Arizona Legislature

A survey of legislators in ten southeastern states indicates the following ways to provide to legislators information about education problems and programs.

1. *Higher education must be responsive to the needs of the community served, these needs must be made known, and legislative help requested to solve the problems in meeting these needs.*

2. *Higher education must identify its successes and advertise them – publicizing the programs without listing the shortcomings.*

3. *Higher education should help legislators make decisions by providing meaningful, well prepared and efficient information.*

4. *Higher education should participate in pressure politics by recruiting in the communities served.*

5. *Higher education should know the community and let the community know about itself.*

6. *Higher education must advertise the availability of its services.*

George Lepchenske, Assistant Dean
Mohave Community College

LEGISLATIVE EXPECTATIONS ABOUT THE ACCOUNTABILITY OF HIGHER EDUCATION

John Folger

Educators are concerned about the new pressures they face, and the list of current concerns has been adequately described in previous sessions of this conference: leveling enrollments, budgets that do not keep up with inflation, problems in the job market for graduates in many fields, and new state level and federal regulations, reports and controls.

Educators often overlook the fact that everybody else has problems too, and among the groups that have some new problems are the members of the legislature. One of the problems that legislators share with educators is decreased public confidence in the way they are doing their jobs. Public opinion polls show that the ratings of education have slipped, although higher education still gets relatively high marks among the public institutions in American society. The same polls show that public regard for the legislature is also lower. A decline in public confidence is a much more serious and immediate problem for legislators, because they depend on public support to stay in office.

While much of the change in the rating can be attributed to increased skepticism about the effectiveness of all our institutions, public interest groups and some parts of the press have been more specific in their criticism: the legislature is too responsive to pressure groups, does not do its business in public, and does not oversee public agencies with enough vigor.

The response of legislatures has been swift. Sunshine laws of various degrees of stringency have been enacted in more than forty states, requiring a large part of public business to be conducted in public. Sunset laws, providing for periodic review (and possible elimination) of public agencies, have been passed in over half the states in a two-year period following the Colorado law of 1975. State fiscal audit agencies have been expanded to include performance audits and management audits of public agencies, or new legislative audit agencies have been created to conduct management and performance oversight of state agencies. More than twenty states have taken some action to develop performance audits in the last three or four years.

Legislatures are putting organization into place so that they can respond to one of the criticisms, that they do not do enough about oversight. Most of these new procedures have not had much time to function; so the record is still open about how much difference these changes will make. The cynics will say it is just a fad, and like some of the other legislative reforms will have little or no

lasting effects on the way decisions are made and funds are allocated. My view is different. Oversight and audit are likely to continue to be legislative interests. It can help politically. Many politicians have advanced their careers as crusaders in the public interest, and fighting the creeping growth of bureaucracy is a perennially popular vote getter, whether the bureaucrats be federal or state. In the second place, it does not cost much to add a few program auditors, and there is always the hope, as in the search for sunken treasure, that the auditors will find a useless program or agency, and actually get the legislature to save some money by abolishing it. In this area of trimming the bureaucratic fat, when all is said and done, much more is said than done, but I think this is an activity that is here to stay.

The Education Commission of the States asked Marvin Petersen of the University of Michigan and Bob Berdahl of the State University of New York at Buffalo to look at two different aspects of state legislative – higher education relations, and much of what I have to say about this area comes from their work, which I want to acknowledge. A report on their case studies was published in the Jossey-Bass New Directions series entitled, *Increasing the Public Accountability of Higher Education* (Winter, 1977).

Legislators have had increasing problems with another major area of responsibility, the budget. Expenditures of state governments have grown more rapidly than the growth of federal expenditures or the growth of the gross national product. Even in small states, state government has become a billion dollar a year business, and new and more businesslike budget procedures are necessary. Most of the initiative for budget reform has come from the budget specialists on the executive side in state government, but legislators have also played an active role.

Legislatures have changed by adding budget staff; a process that was documented by Lyman Glenny and his colleagues in the series of budget studies they completed last year. Legislatures have also adopted new budget systems, such as PPBS, Zero-Based Budgeting, Priority-Budgeting, and Performance-Budgeting. These new systems seek a more functional and programmatic classification of proposed expenditures, together with different kind of review and evaluation of proposed expenditures. These budget systems are designed to provide more information about, and evaluation of, efficiency of operations. They can be used, if appropriate outcome measures, or performance measures, are available, to make effectiveness judgments. The new systems require a great deal more data, require more sophisticated budget analysis and a professional staff, and conceptually are a major departure from traditional incremental budgeting.

The federal government and over half the states have initiated major budget systems reforms in the past decade. These "reforms" have often changed the

form of the budget without concurrent changes in the way that legislature made budgeting decisions, or even in some cases, without much change in the criteria on which decisions were made. As a result, there has been considerable disillusionment with the value of these changes.

Marvin Petersen's review of performance budgeting, which adds effective criteria to budget decisions, and which has been explored in about six or eight states in various ways, indicates that no one has yet developed a set of performance measures which makes a major difference in budget decision making. The efforts in Hawaii and Tennessee are the most extensive, but they have illustrated more of the complexity of the problems involved than of the procedures that can be recommended to others.

Because the size and scope of state budget operations has expanded so rapidly, and because legislators have taken a much more active role in the budget process in relation to the executive branch in most states than they used to do a decade ago, and because legislatures are moving closer to a year-round, full-time involvement and away from the sixty-days-every-two-years citizen legislature, the interest in budget reform will continue. I think that despite the frustrations with program budget systems, the legislature will continue to try to implement various types of more objective and rational resource allocation systems. They will also be attracted to formula budgeting within broad program areas such as higher education, because it helps to resolve allocation problems, and simplify decisions.

Another change in the legislative role that will have implications for higher education is the addition of more legislative staff for policy making. In the area of higher education alone, several states have added staff to the education committee; others have strengthened special policy analysis units in state government; and in still other states, the legislature has worked closely with the state agency for higher education in conducting policy studies and developing policy recommendations. As state-government operations get bigger and more complex, we are going to see more legislative staff examine policy questions. In some states they will depend primarily on the executive agencies or on the quasi-independent agencies for policy analysis, but in an increasing number of states they are developing their own legislative staff capability.

I have reviewed several new directions that state legislatures have taken in the last few years. These new activities will affect all parts of state government, including higher education, but higher education presents some special issues because of the tradition of autonomy of higher education and its insulation by lay trustees from direct political control.

Let me turn now to the more specific questions of the relationship between

the legislature and higher education and how that relationship is changing as a result of the new developments described above.

Let's begin with some of the traditional expectations of the legislature about higher education and the relation it should have to the legislature. The first is that the relationship was a personal one. While this varied from small to large states and by the personality of both legislators and college presidents, it was expected that each president would establish close ties with local legislators, would do a lot of his own lobbying, and would also establish close relations with key legislative leaders and committee chairmen. In a few states there was a central system executive who was the key contact point, and in those states there was a single person who could "speak for" higher education. But in most states up until about 1960 there was no single higher education leader, and each institution typically spoke for itself. In probably half the states with central governing boards, there was no central spokesman, only a secretary to the board, who only spoke when he was spoken to.

Second, in all states, the expectation was that direct control of higher education was vested in a lay board, insulating public higher education from direct political control. In actual fact this insulation was sometimes quite good and at other times non-existent, but it was a key aspect of legislative-education relations. Within this framework, higher education had academic freedom but was expected to be responsive to, and solicitous of, public expectations as interpreted by the legislature.

Another traditional expectation was that higher education would prepare people for useful jobs, give priority in admissions to citizens of the state, and be as good as the colleges in neighboring states in athletics, academics, and in general prestige.

From these traditional expectations some new ones have emerged. The first is that the legislature should exercise oversight over higher education just as it does for other agencies. If colleges get public funds they should be publically accountable. Constitutional status does not give higher education autonomy as a fourth branch of government. A court case has upheld this legislative view in Montana, while also limiting the direct controls that the legislature can impose on the budget management process. Related cases in Michigan and Nebraska have also constrained direct legislative involvement in management and budget.

The second expectation is that coordination, regulation, policy making, and some control of education is necessary at the state level. This is usually implemented through an executively proposed and appointed board which has been given specific and fairly limited powers by the legislature. There is now some kind of governing, coordinating, or planning board for higher education in every state but Wyoming, and most of them have been created since 1960.

Third, the tradition of every institution dealing with the legislature independently has been supplemented in many states with a coordinated and centralized communication. While individual institutions usually have informal communication, the statewide or multicampus system presents the budget, suggests policies, and supports or opposes proposed legislation that relates to the interest of higher education. The growth of higher education has created so many new public universities and community colleges that the legislature not only welcomes, but sometimes requires that a consolidated approach be used. They want the college presidents on the campus, not in the corridors of the legislature.

Fourth, in most states the independent institutions have gotten organized; in over thirty-five states they have employed a full-time executive, whose principal job is to represent the interests of the private sector in the state capitol, and in a large number of states, they have been successful.

What is the impact of these changes likely to be on future legislative-higher education relations? The answer will vary from state to state. In some, there has been no major change in the budget request, no new oversight process, no planning effort, and no policy analysis by either legislative or state higher education agency. These are mostly small states with strong executives, citizen legislatures with very limited staff, and a weak higher education agency or a statewide governing agency with a small staff. In states like this the relationship has not been affected much.

In other states the legislature has been expanding its staff, increasing its oversight, and may have changed its budget procedures too. Procedures are more formal, requests require more justification, more information is provided, and more analysis is done. More of analysis and policy alternatives are likely to get in the media and press because most of this process is conducted in public. Facts become more persuasive when analysed and presented effectively, and the silver-tongued presidential filibuster will turn off more people than it persuades. Personal acquaintance is still important, and the basic processes of compromise and advocacy of the institution by the legislator from the college's district continue in the actual legislative decision making. Thus from one point of view things have changed a lot, and from another, they are very much the same.

One other comment is important. The nature of the issues that legislators and educators are discussing is important too. In the past decade the issue was growth – how it could be paid for, how it should be accommodated. Growth has been a good thing in America, and when the chips were down, the legislators have come through on issues they thought were important, like growth and increased access for all students.

In the next decade the issues will be retrenchment and the management of stable or declining enrollments.

College graduates who cannot get jobs in the field they were trained for is a bad thing. Legislators will probably respond to that issue by blaming the colleges for not preparing the students. Declining enrollments in a college is also a bad thing. More of the issues that will arise in the next decade are going to be "bad" rather than "good" issues.

There is little political advantage to the legislature in trying to deal directly with issues of retrenchment and resource reallocation, and the legislative inclination will be to leave these issues to the educators. Legislators may intervene on behalf of their local institution to protect its budget in a period of declining enrollment, but higher education may get more autonomy to deal with its less attractive problems in the next decade.

At the same time, higher education is likely to be a popular area for legislative management and program audit, simply because it is an expensive area that is not operated according to conventional notions of efficiency. Higher education is also likely to have to conform to laws and regulations about affirmative action and social justice in dealing with a variety of minority groups.

More effective resolution of higher education's problems in the next decade will require much more effective planning and policy making at the state level, and more effective management at the institutional level. The legislature must have a much better understanding of the problems of higher education in order to make effective law and policy and provide the resources that are needed, without getting involved in the details of management which should be left to the institutions. Only a few legislatures have developed an appreciation of the value of planning and policy analysis as a way to improve their decision making. College presidents have also been slow to adopt new approaches to decision making.

The environment in the next decade both on the campus and in the legislature is likely to put much more emphasis on planning policy analysis, evaluation, performance audit, and similar formal analytic methods of assisting decision making. New specialists in these procedures will emerge, and they will have more influence on the relationship between the college presidents and the legislators. The president will still talk to his legislator, but an increasing part of the communication between the campus and the capitol will be done by specialists: college budget and policy analysts who talk to legislative staff, analysts who talk to the executive budget staff, and all may talk to the state higher education agency staff.

My expectation is that the relations between higher education and the legislature in the future will be more formal and bureaucratic. They will involve budget submissions in accordance with objective criteria, program and management audits, and more formal policy analysis and planning. Less will depend on personal and informal contact between legislators and educators, but that will still be very important.

States will move toward more formal and bureaucratic procedures at very different rates; the budget process is already formalized in all states, and policy analysis, legislative oversight, and evaluation will become formally established procedures in more states in the future. While personal contact and relationships will still be important, a new set of formal procedures will be developed in most states which college administrators must adapt to, along with all the other problems and issues. It is a prospect which is likely to shorten the already brief average tenure of college presidents.

It takes a commitment and desire on the part of an individual to expand his or her information sources. All legislators, administrators, researchers, and others dealing with higher education develop reliable sources of information such as personal correspondence, private conversation or selected journals with which they feel comfortable and use regularly. To expand on these sources takes both time and effort on the part of the individual. The computerization of bibliographic information for such information sources as ERIC and others as well as the development of techniques for searching this bibliographic information quickly and easily through the use of local computer terminals has decreased the time and effort necessary to make use of these sources.

Marilyn Shorr
ERIC Clearinghouse on Higher Education

The purview or overview function of the legislature in relation to higher education not only has increased but probably will continue to increase. Legislatures in a good many states have established auditing offices which while not primarily concerned with better education moved into this area very quickly. And they are auditing offices not simply in terms of fiscal audit but are moving into the area of performance audit as well. This does raise an important question on the institutional level and on the state coordinating level as well. Part of the question becomes who should judge academic effectiveness and quality?

Richard Millard
Education Commission of the States

A GOVERNOR'S AGENDA FOR ACTION IN HIGHER EDUCATION

David Boren

I am very glad to be able to be with you today. From that very flattering introduction that the Chancellor gave me, you might be able to guess that I am in the process of working on Oklahoma's budget for the coming year.

I feel humble to be asked to address this group. You are far more expert than I in the field of higher education and the priorities that we need to set. I am glad there are not too many Oklahomans in the audience because some of them might be brave enough to say, "Governor, why are you going to another state to a meeting of delegates from different states to talk about solving your problems? You ought to stay home and solve them here." That is one of the privileges of visiting governors. We can comment to groups from other states with great wisdom about what needs to be done even though we often have difficulty doing it ourselves.

I am glad to be able to be with you, and I feel at home in this group. I am on an indefinite leave of absence from my teaching duties. The board of trustees took a look at my record my first year in office and decided that I was going to need to maintain tenure. There are a lot of people in the state who have enthusiasm for my teaching ability. The longer I serve as governor, the more letters I get suggesting I return to the classroom.

I am sorry I was not able to be here for all the sessions because I would have been interested to have heard the discussion about what we can do, how we can improve relationships and understanding between the legislature and the community of higher education. I think we are coming into a very, very challenging time as far as the funding of education is concerned. We are at a critical period in terms of defining where we should go with higher education. Enrollments are now leveling off. We have not had the tremendous growth we have had in the past. The real economic growth of this country has slowed down, particularly the growth of state revenues so that we now have tremendous competition for them. Frankly I do not think that is going to get any better. I think that it is going to get even tighter. As I look at what is happening to the country, as we look at a thirty billion dollar balance of payments deficit this year, as we look at escalating costs for the year, depression in the agricultural sector, many, many other factors, I think we have to think in the next few years in terms of an even tougher economic situation as far as competition for funding is concerned.

Yet at this point it is not as gloomy as it might seem. I noticed the *Chronicle* indicated that over the past two years we have still made an improvement. We have gone up 6 percent in the real terms over and above inflation nationally in terms of public support for higher education. So while it has been increasingly difficult, it has not been as gloomy as some people have been saying.

I know you have been talking about what you can do to make your case to the legislature, what you can do to maintain adequate funding for higher education. One of the things, I think, we need to stop and ask ourselves right off the bat is what it is we ought to be selling. We should do this before we get into the question of how we are going to interrelate and how we are going to sell higher education to the public and to those who represent the public elective office. The most important part of the whole process is to decide what it is that higher education should be doing. That is the most important point of all.

We have gotten into the habit, I think, of looking at the symptoms or looking at the mechanism too often instead of stopping to take account of what it is that we ought to be doing fundamentally in the first place. I heard a speech the other day at the Southern Growth Policies Board. We were discussing federal funding formulas for problems like urban decay and all the rest. And I heard a speaker get up and say, "The formula, that's where it is. That's where the action is, that's where the meat of the coconut is. You have to understand the formula for federal funding." And I could not help but think to myself, more important than understanding the formula, we had better understand what it is we are trying to treat.

Take two cities of the same size like Lowell, Massachusetts, and Abilene, Texas. At Lowell there is massive unemployment with 37 percent of the population receiving some form of income supplement from the government. Whereas, Abilene is a developing area with only four percent receiving some kind of income supplement. Rather than just looking at the formula for getting the money into Lowell, we had better try to look at the root causes of what took place there, and treat the disease and not just the symptoms. We had better do that in higher education as well. We better begin to think in terms of what it is that we truly need to be doing.

George Bernard Shaw once said in *The Doctor's Dilemma* "All professions are a conspiracy against the laity." That may be true in many respects. One of the things that we must not be in higher education is a conspiracy against the laity. We have to play a much broader role in society than that. If I had to point to one thing that concerns me in this country more than anything else today, if I had to pick out the most serious problem that we face, I would define it as the breakdown of the sense of community that has held us together for so long. Our people have developed tunnel vision. We have become so specialized that we can barely communicate with each other. We have become Balkanized geographically

in this country. I know I get very frustrated because I happen to come from an energy-producing state, for example. I go to Washington to testify, and I say "How does it make any sense when we have a thirty billion dollar balance of payments deficit for us to be arguing about paying our domestic producers $1.75 for a unit of natural gas when we are buying gas from Algeria for four dollars a unit right now? How does that help the American consumer? What is it going to do to the national security when we're dependent upon foreign sources for fifty percent of all the oil we use? In the event of an embargo, emergency rationing plans will provide eight gallons of gasoline per week per head of household." If I talk about something like that, you know what happens? The chairman of the committee invariably will lean back, and he will say, "Governor, we're very happy to have you. You've presented the Oklahoma point of view very well." They might just as well have said, "Thank you Sheik Boren from American OPEC."

This is a very real problem. We have trouble in this country today relating to the problems of each other, and this is true in reverse, too. People in Oklahoma have trouble understanding the people in New England who are dependent on home-heating oil. This is one of the things that disturbs me that I see in the Governor's office, and I am sure members of the legislature see it from their perspective. Sometimes at the end of the day when you have seen all those different people from all those different groups, you think, "I wonder who it is that's speaking for the public good? I wonder who in this country can say, I wish this to be done for the benefit of the total community."

It is true at all levels of government. Very often it has become a matter of self-defense. At the municipal level, I was talking to a group of policemen not long ago, and they were saying, "You know we have to organize to make wage demands and even threaten work stoppages because we have got to make sure we get our share because the firemen organized, and the firemen organized because the streetworkers organized, and they organized because the waterworkers organized, and on and on and on." So we have this instead of an old-fashioned New England community meeting, if we can think of it in that way, in which everybody sat down and listened to the needs and perspectives of each other. In which, although I were in a different profession than you or lived in a different part of town or had different economic needs, I would listen to you. I understood your needs. As if we had all sat down together and had a consensus and then tried to make a policy that would be fair to everybody. We are in grave danger in this country of losing that sense of community perspective that has held us together. We have believed in this country for years that if two competing political philosophies are at cross purposes, the majority rules. I think, if we polled this group and I asked if the majority should rule, you would agree. On the other hand, if I asked you if the majority had the prerogative to compel the minority to give up their right of free speech, I do not think you would agree,

because we believe there are certain inalienable individual rights that the majority cannot take away. Now, who is to be the judge of those rights of the individuals or of the minorities? It is ultimately the majority, buffered somewhat by the Supreme Court and other institutions which are ultimately answerable in the long run to majority feelings.

So how have two competing inconsistent philosophies, that we both agree that we support so strongly, coexisted in this country? They have coexisted because we have had a fair majority sensitive to the rights and needs of individuals and of minorities. That is how they have coexisted. What has resulted is called the general will. The general will is enlightened. It is that community spirit that prevails at the meeting when people are not all voting their own individual narrow self-interests. They are voting for what they think is fair to everybody. To me this is the greatest need that we have in this country.

What does that say to us in higher education? It says to me that the greatest need that higher education can address today is to produce well-rounded people, citizens who will be the ones at the meeting who will speak for the community. They will be the ones that will tie it together; they will give a sense of perspective that can only come from a broad-based liberal education.

All the pressures today, because of rising education costs, pressures from student attitudes themselves, tend to be in the other direction. Students today tend to say, "I don't want to have to take so many courses in so many fields. I want something with which I can walk out of here tomorrow and make a living." We in higher education have been on the run for years. We have been weakening a little bit more every year. We have been giving in a little bit more. We tried to create new courses and new programs that are aimed at giving the students an immediate source of income the minute they walk out of the door.

We have been retreating from our basic obligation. We have even let people say, "we can't afford to over-educate people in this day and time. We can't afford to educate them in the humanities, or in philosophy, or in literature, or in broad studies." This country has never suffered from over-education. That is certainly not the greatest danger facing this country today. You know, it would be a tremendous irony if we, one of the most highly specialized and developed people in human history, were destroyed from within because of a basic ignorance of the core of civilized knowledge of our own history, and where we came from, and the forces which have shaped us. It would be tragic if we passed on inadequate knowledge of our own humanity; so I contend that what we have to do first of all is preserve that broad, basic core of knowledge. That is the first job of higher education.

Somehow we must translate that need to our public policy makers. Now having said that, I think we are still under strong obligation to do that as

cost-effectively as we can. I think it also implies some very tough choices in other areas. If it appears to take the precious and scarce financial resources which we have to maintain a broad-based liberal education, it means we are going to have to make some tough choices in other areas in order to preserve that priority. We cannot build duplicate graduate programs, for example. I know there are differences between states. In this state you have very few colleges and universities in proportion to your population. In Oklahoma, we are blessed with a vast number of publicly supported institutions of higher education: approximately twenty. We are blessed with several of them in the wrong place at the wrong time. People lived there fifty years ago but no longer do. So sometimes that blessing is not so much of a blessing as a curse. We cannot afford for every institution of higher education to offer every graduate program that you can think of. We cannot afford that cost.

I remember one of our indecisions not too long ago. We started a new program in business, a graduate program in business education. We calculated the probable cost. We already had an existing graduate program in business education. I believe the chancellor's office found out that at least in the first year or two the cost per credit hour in the existing program was something like seventeen dollars an hour but in the new programs they were something like two hundred and fifty dollars an hour because we had to duplicate and build from the beginning. We cannot afford to duplicate.

Obviously we are going to have to have specialization at the graduate level, but we are going to have to decide what it is we are going to be offering. We cannot continue to offer more and more new programs at the graduate level without subtracting some of the programs that we are now offering. If you have a limited amount of money and you want to maintain a quality program, how in the world can you keep on adding new programs every day of the month and maintain the quality of the programs that you are now conducting?

I don't mean to say that we should never have changes. When I talk about broad-based knowledge at the undergraduate level, for example, it is assumed at the graduate level students already have that broad core of knowledge. We then need to be very careful about what we specialize in.

Needs may change. Professional and occupational skill needs of communities will change. So we may need new programs, but if when adding new programs, if we have limited funds, we are going to have to do away with some that we are now offering. Yet can we find one state where we are holding steady the number of graduate programs which we are offering? I would doubt it. It is difficult to maintain a moratorium. Regardless, we must be careful about adding new programs. Once a program is established, it is hard to ever disestablish it even if the needs change because you have built in faculties, you have vested interest,

you have people who have job securities at stake. So we are going to have to be careful.

Also we need to be much more cautious in the use of quantity as a measure for deciding what programs to continue to refund. In all the states that I know of we have been much too tied to actual headcount approaches to funding higher education. We have not had enough room for qualitative input to decide which programs are really and truly worthwhile. Somehow we have go to move away from quantitative measures only. We are going to have to get out of the brick and mortar syndrome. How many heads of institutions have you heard and how many annual reports or ten-year reports of institutions of higher education have you read in which they chart progress in the following manner: "ten years ago we had five thousand students with nine buildings and today we have thirty thousand with eighty-seven buildings" – as if brick and mortar, for example, and numbers were the only mark of deciding where we have had progress in higher education. We simply cannot afford to keep on doing that at a time of limited resources.

We have under discussion in our state right now, for example, a proposed five hundred million dollar state bond issue. Our management people have been studying this. We find that if a state spends five hundred million dollars on capital expansion, capital projects, new buildings for new programs (not of course remodeling old buildings to make them more energy-conserving, for that would be a wise expenditure of funds, nor replacing an old building with a new building to be more efficient and less costly to operate), it can just chalk up about fifteen to twenty percent of the cost of the five hundred million as additional annual operating expense. What does that mean? Well, I chalked that up in Oklahoma. If we take fifteen percent of five hundred million, that means our operating budget would go up $75 million to occupy and operate the new buildings. We're already going to have an eighty-seven million dollar increase this next year. If we have to take out a bond issue thoughtlessly without being very careful about its impact on operating cost, we could bankrupt the quality of existing programs. We almost reached that point once in Oklahoma when we opened up a medical school. That came the first year I was in office. They asked for supplemental appropriations because they could not move into a new building that had been built for them because they couldn't pay the utility bills. Obviously we have to be careful about over-committing ourselves. We're going to have to make tough choices. We're going to have to have some moving around of resources. I think members of the legislature are going to expect this and have a right to expect this.

We cannot turn out of our institutes two or three times as many teachers, for example, as we can absorb into our systems. We ought to raise standards. Teacher compensation is improving; so we ought to raise standards and ought not be turning out more than we have in the past. This is difficult to do because

the first question asked is what do you do with all of the College of Education faculty members.

I think one of the things we could do is utilize them for in-service training in our elementary and common education systems. I think that would be a tremendous thing. Some states are beginning to move in this area. Think of the interchange, the breath of fresh air that can come from people who in the past have been teaching in the colleges of education. One could maintain the rights of tenured faculty by using part of their time for in-service training with those who have actually been in the classroom for perhaps twenty years. It would be valuable to both: the faculty member who perhaps has not experienced what it is like in an elementary classroom and the elementary teacher who has been teaching a certain way for twenty years and is scared of new ideas. So there are ways of changing our resources and still minimizing the impact upon our own faculty.

We have got to adjust to a whole new student market. Fifty percent of all the students in higher education in this country today are part-time students. It is not any longer true that you just go to school a certain time in your life. We have more and more people who are coming back later in life and improving their educational experience. Also we have to think about adjusting ourselves. How many speeches have you heard by educators about education being an on-going process through all of life.

We have all got to be prepared for change. "One of the most vivid truths of this age," Margaret Mead wrote, "is that no one will live all his life in the world in which he was born, and no one will die in the world in which he worked in his maturity." How often have you heard that quoted by people in higher education? But they might have added at the end of it, except us. I am a very strong supporter of tenure as I say, I have tenure. But we know that as enrollments level off we cannot allow 80 or 90 percent of the faculty in the various departments to become tenured. I know the importance of tenure and maintaining free expression in the university community. I believe very strongly in it. We may have to look at new forms of tenure. We may have to look at long-term contracts, five or ten year contracts or something else instead of life-time contracts. When a person should no longer be tenured, say at the end of a ten-year contract if it is not going to be renewed, perhaps we should give that person a year or two while he or she adjusts to another occupation or to another role within higher education. We cannot go around preaching education as a life-long process with everyone ready to adjust except us. Higher education would become like the railroads if that happens.

There has to be much more interchange between those in public office and educators. This conference is a healthy thing wherein legislators and policy makers participate with those of you in higher education. There is much too

little of it in this country. Somehow a great gulf has grown up between the policy makers and the educators. Somehow we have been unwilling to translate the knowledge that we have developed into language that can be understood and used by policy makers and by the public. That has to change. One of the greatest things that has happened in Oklahoma, I think, has been the closer relationship between the university community and our legislative committees. We are using members from our academic community to volunteer their time and services to work with legislative committees on particular problems. It makes much better informed public policy, and it should be considered an important cause on the part of the higher-education community.

I think of my experiences in the legislature. When I first came to the legislature, I think that most members of that body would have run and locked the door if they heard a faculty member was going to come to talk to them. They would have felt threatened by it. They felt professors were going to look down on them intellectually.

Now on the other hand, there were many of the members of the higher education community who somehow felt there was something unclean, or uninformed about all politicians, and therefore they should not have anything to do with them. We have got to get over that. What a tragedy. I remember one day sitting in an environmental policy-making committee of the Oklahoma legislature. We were talking about whether or not we should ban phosphates in detergents sold in the state. My law degree did not prepare me to answer that question, but there were several people in our universities with the kind of knowledge that could provide us with tremendous input for making that kind of decision. Do you know how many were there at the meeting? Not one of them. We all sat around and people said, "What does your wife think, does DUZ really get it whiter?" There we were with highly educated people with vast amounts of knowledge on our university campuses thirty miles on either side of us. Their knowledge was not utilized. We are a highly educated society making highly uneducated and ignorant decisions as matters of public policy. It is important not only that we share specialized knowledge but that we develop the mechanism for making this sharing possible.

We are doing that now in Oklahoma by putting together a directory. We have contact people on the two major university campuses and various persons who are in touch with these specialists who have volunteered to help. If a legislative committee has a problem, we know immediately whom to call. Nor should we necessarily think we are always going to be compensated for it because for the sake of maintaining the funding for the whole university system the volunteering of services goes a long way with members of the legislature. It may help bring much greater dividends in the future that may well compensate for the actual time spent. Our administrators need to know that. They may need to reduce individual faculty member's loads to have them help the policy makers.

Let's also bring the policy makers to our campuses from time to time in non-threatening, informal atmospheres. Let's try to convey to them the importance of the broad-based education that I am talking about. Let us bring our policy makers to the campuses for a week, perhaps, sometime for a discussion of a broad base of issues that are confronting us. Let's even give them a little dose of philosophy or sociology or anthropology as we go along in discussing some of the issues, the broader issues that they are facing. Let's not be afraid to try a little intellectual stimulation. We are not afraid to try it on students, and many of those legislators were once students. Many of them would still like to be, and many of them consider themselves to be continuing students of public policy.

I think we face a very great challenge. We cannot continue things as they have always been, but in one sense we must not let the challenges that we face cause us to go off the path and cause us to lose sight of the essential purpose of higher education in the first place. When we make speeches, and say, "go get a college education young man or young women because it will increase your earning power by $200 thousand in a life time or $500 thousand in a life time," I think in the process we not only begin to fool some young people, but we begin to fool ourselves. We begin to stray off the path of what it is we really need to do. When higher education started in this country, the first institutions did not go out and try to bring in students by saying we will increase your earning power. Whom did they train? They trained ministers, they trained teachers, they trained people who could bring a sense of perspective to the society in which they lived. They were never afraid of over-educating.

So what is the challenge? What is it we should be most proud of? What is it that we should strive to achieve? I would say this: nothing should be more satisfying for us as educators than that we could say when someone asks us in this polarized world, in this specialized world, this tunnel-vision world in which we live, "Who speaks for the community?" that we could answer as an educational community, "Our students, and our graduates will be the ones to speak for the community." That has been our challenge, and it still is.

Community colleges usually claim to offer some programs of community based education including continuing education, community service, or lifelong learning opportunities for residents of the communities serviced by these schools. Because of the nature of these offerings, they are usually noncredit types of courses, they are seldom supported by the state since they do not fit into the FTE funding pattern envisioned by the legislature. Thus, these noncredit programs do not receive proper institutional support. Many high-level community college administrators decry this situation and tend to blame the lack of proper financial support on the legislative funding formulas. Rather than blame the state legislatures, I feel that the problem is more heavily campus based. If the high-level administrators showed more real commitment to lifelong learning in their institutions, the legislative view might well be different.

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